

1.5. Externally Aided Projects

The Externally Aided Projects being implemented in Tamil Nadu during 2008-09 are the (i) Tamil Nadu Road Sector Project, (ii) Tamil Nadu Health Systems Project, (iii) Technical Assistance for Economic Reforms Project, (iv) Tamil Nadu Technical/Engineering Education Quality Improvement Project, (v) Tamil Nadu Urban Development Project-III, (vi) Tamil Nadu Empowerment and Poverty Reduction Vazhdhu Kaatuvom Project, (vii) Emergency Tsunami Reconstruction Project, (viii) Hydrology Project-II, (ix) Tamil Nadu Irrigated Agriculture Modernization, Water Bodies Restoration and Management Project, (x) Tsunami Emergency Assistance Project, (xi) Post-Tsunami Sustainable Livelihoods Programme for the Coastal Communities of Tamil Nadu and (xii) Tamil Nadu Afforestation Project - II and the projects in the Pipeline are (i) Tamil Nadu Rural Water Supply Project. (ii) Chennai Metro Rail Project and (iii) Hogenakkal Water Supply and Sanitation Project. The details of the Projects are as follows:

Tamil Nadu Road Sector Project

The objective of the Project is to improve quality and sustainability of the State's core road network. The Project Activities include Upgradation, Maintenance, Road Safety Component and Institutional Strengthening and Policy Development. The project came into effect on 31.3.2003. The Project cost is Rs.2160 crore and the loan amount is Rs.1670 crore.

Under this scheme Upgradation of Roads from Arcot to Tiruvarur and Nagapattinam to Tuticorin were taken up in 4 packages for a length of 742 Km at a contract price of Rs.1150 crores. Enhanced periodical maintenance of Government roads for a length of 2000 km will be undertaken in 4 year cycle at a total cost of Rs.531 crore. There has been appreciable improvement in the work relating to Institutional Strengthening. The expenditure upto 31.3.2007 was Rs.658.98 crore. The anticipated expenditure for

2007-08 is Rs.440 crore and the outlay proposed for 2008-09 is Rs.500.00 crore.

Tamil Nadu Health Systems Project

The objectives of the Project is to significantly improve the effectiveness of the public health care system in Tamil Nadu through (i) Improved service delivery especially for the poor and tribal groups, (ii) Addressing key health challenges including Non Communicable Diseases like cancer cervix and Cardio Vascular disease (iii) Improved management and quality of care at hospitals and (iv) Enhanced efficiency in the public sector. The Project activities include (i) Maternity and Child Health Services, (ii) Control of Non-communicable diseases, (iii) Tribal Health Development, (iv) Construction of Hospital Buildings, (v) Supply of Hospital Equipments, (vi) Counseling Centres at Hospitals, (vii) Mortuary Van services, (viii) Improving quality of care in hospitals and (ix) Bio Medical Waste Management in Government Hospitals.

The project was commenced on 27.1.2005 with a project cost of Rs.597.15 crore. The Loan amount is Rs.502.95 crore. The expenditure upto 31.3.2007 was Rs.92.13 crore. The anticipated expenditure for 2007-08 is Rs.198.25 crores and the amount proposed for 2008-09 is Rs.302.73 crore.

Technical Assistance for Economic Reforms Project

The objective of the scheme is to improve transparency, efficiency and accountability of the system of procurement. With the agreement of Government of India, the World Bank carried out a Country Procurement Assessment. Tamil Nadu was one of the three States taken up for the detailed study. Under this project, activities like (i) Creation of Procurement Cell, (ii) Drafting, circulating, finalizing and publishing a set of Standard Bid and Contract Documents, (iii) Putting these formats on websites and introducing a pilot project on e-tendering, (iv) Revising Finance, Public Works and Account Codes and other manuals, (v) Drawing up guidelines for procurement of

consultants and other professional services in the Act and Rules and (vi) Training are being undertaken.

The project came into effect on 1.10.2003 with a project cost of Rs.5.60 crore. The consultants appointed under this project submitted their reports on (i) Measurement of works executed and payment of value of works (ii) Standardization of Specification (Data Books) of Public Works Department, (iii) Revision of earlier Codes and Manuals to fall in line with the Transparency Act, (iv) Preparation of Standard Bidding Documents, (v) Review and Updating of Standard Data and Specifications for Water Supply and Sewerage Works, (vi) Review and Updating of Standard Data for Roads and Bridge works ,(vii) Implementation of Revised Standard Data Book, and (viii) Introduction of New Schedule of Rates and Implementation of Revised Measurement Book. Actions are being taken on these studies. The Anna Institute of Management is conducting training programmes on Procurement Procedures. The Project will come to a close on 31.12.2007.

Tamil Nadu Technical Education Quality Improvement Project

The Programme aims to upscale and support ongoing efforts of Government of India to improve quality of Technical Education and enhance existing capacities of the institutions to become dynamic, demand-driven, quality conscious, efficient and forward looking as well as becoming responsive to rapid economic and technological developments occurring both at National and International levels.

The Project came into effect from 8.7.2004 at a cost is Rs.94.16 crore. The following activities have been carried out under this programme:

- Promotion of Academic Excellence
- Improvement in Institutional Governance and Management and Administrative Practices.
- Improvement in Teaching, Training and Learning Facilities.
- Improvement in Curricular Practices.

- Faculty and Staff Development
- Enhancement in Postgraduate Education and Research, and Consultancy activities.
- Networking of Institutions for Quality Enhancement and Resources Sharing
- Enhancing Quality and Reach of Services to Community and Economy.

The closing date of the Project is 31.12.2007.

Tamil Nadu Urban Development Project-III

The Objectives of the project are (1) to strengthen and deepen the empowerment of Urban Local Bodies (ULBs) by continuing the decentralization process through delegation of powers from state level bodies to Urban Local Bodies and through continuing and expanding the capacity building programmes started under TNUDP-II, (2) to mobilize private financing for Urban Local Body infrastructure investments by linking Urban Local Bodies to the financial markets through the intermediation of the Tamil Nadu Urban Development Fund, (3) to provide incentives for investments in low income neighbourhoods through the use of supporting capital grants and (iv) to provide a grant to the Chennai Metropolitan Development Authority to take up traffic and transportation sub-projects like Road widening, Road Over Bridges and Road Under Bridges in the Chennai Metropolitan Development Area.

The Project cost is Rs.1884.21 crore and came into effect on 17.10.2005. The expenditure upto 31.3.2007 was Rs.113.41 crore. The anticipated expenditure for 2007-08 is Rs.201.62 crore and the proposed outlay for 2008-09 is Rs.468.24 crore.

Tamil Nadu Empowerment and Poverty Reduction - Vazhndhu Kaatuvom Project

This Project aims to improve the livelihoods and empower the target rural poor in Tamil Nadu (particularly women and other disadvantaged groups) through developing and strengthening pro-poor

local institutions/groups (including village panchayats) and building skills and capacities of the poor and financing productive demand-driven subproject investments. The Project will be implemented in 70 Backward Blocks in 15 Districts covering 2469 Village Panchayats. The effective implementation of the Project commenced from July 2006. Total Project cost is Rs.717.12 crore. The expenditure upto 31.3.2007 was Rs.13.76 crore. The anticipated expenditure for 2007-08 is Rs.90.75 crore and the proposed outlay for 2008-09 is Rs.114.22 crore.

Emergency Tsunami Reconstruction Project (ETRP)

The Project came into effect from 9.8.2005. The total cost is Rs.2602.17 crore. The major components of Emergency Tsunami Reconstruction Project are (i) Housing Reconstruction, (ii) Restoration of Livelihood (relating to Fisheries, Infrastructure, Agriculture and Horticulture), (iii) Reconstruction of public buildings and public works, (iv) Technical assistance and training and (v) Implementation support. The Expenditure upto 31.3.2007 was Rs.102.37 crore. The anticipated expenditure for 2007-08 is Rs. 285.08 crore and the proposed outlay for 2008-09 is Rs.449.04 crore.

A restructuring proposal has been submitted to the World Bank through Government of India (Department of Economic Affairs) for the Vulnerability Reduction of Coastal communities at an approximate cost of Rs.998 crore. The project proposal is under finalisation.

Hydrology Project-II

The Hydrology Project Phase - II is a vertical extension of Hydrology Project Phase-I and the objectives are to extend and promote the sustained and effective use of the "Hydrological Information System" by all potential users concerned with water resources planning and management, both public and private thereby

contributing to productivity and cost effectiveness of water - related investments in the State.

The date of commencement was 5.4.2006 with a project cost of Rs.25.27 crore. The Expenditure upto 31.3.2007 was Rs.1.37 crore. The anticipated expenditure for 2007-08 is Rs.5.48 crore and the proposed outlay for 2008-09 is Rs.6.01 crore.

Tamil Nadu Irrigated Agriculture Modernisation Water Bodies Restoration and Management Project (IAMWARM)

Tamil Nadu Irrigated Agriculture Modernisation Water Bodies Restoration and Management Project has been formulated with the objective of improving the irrigation service delivery and productivity of irrigated agriculture with effective Water Resources Management in a river basin/sub-basin frameworks in Tamil Nadu with the assistance of the World Bank. The Project will be implemented in an integrated manner with the participation of line Departments and other institutions. The project is proposed to be implemented in 63 sub basins excluding the areas already covered under Water Resources Consolidation Project and Cauvery basin. The Project cost is Rs.2547 crore.

The components of the Project are (1) Improving Irrigation system performance at the bulk level, i.e., diversion, weirs, anicuts, supply channels, tank storages, tank bunds, spill weirs and sluices, main canals, branch canals, distributaries and minors, (2) Promoting the use of water saving on-farm irrigation technologies and of agricultural intensification and diversification efforts in response to market demands and agri-business opportunities, (3) Strengthening the institutional capacity for irrigation management at the State and the water user level, (4) Strengthening water sources Management, (5) Project Management support.

In the first year 2007-08, 9 sub basins have been selected for implementation and 14 sub basins are to be implemented in the second year onwards. The Project is in the initial stage and bid

documents are being finalized in respect of the 9 sub basins taken up for implementation during the year 2007-08. The anticipated expenditure for 2007-08 is Rs.127.34 crore and the proposed outlay for 2008-09 is Rs.578.23 crore.

Tsunami Emergency Assistance Project

The objective of the project is to support the efforts of the Government to accelerate economic growth and poverty alleviation in the tsunami affected areas. The Project activities are (i) Restoration of livelihoods, (ii) Construction of Roads and Bridges, (iii) Providing Rural and Municipal Infrastructure and (iv) Capacity Building and Implementation Assistance. The Project cost is Rs.629.64 crores. The expenditure upto 31.3.2007 is Rs.211.74 crore. The anticipated expenditure for 2007-08 is Rs.207.56 crore. The proposed outlay for 2008-09 is Rs.96.27 crore.

Post-Tsunami Sustainable Livelihoods Programme for the Coastal Communities of Tamil Nadu

The purpose of the programme is to develop viable enterprises and resource management systems, owned and operated by poor men and women in the target area and supported by community and other appropriate institutions. It is proposed to implement this programme in selected villages of Kancheepuram, Villupuram, Cuddalore, Nagapattinam, Tiruvallur and Kanyakumari Districts.

The Project Implementation Plan is under preparation. The Budget Estimate for 2007-08 is Rs.10 crore and the proposed outlay for 2008-09 is Rs.15 crore.

Tamil Nadu Afforestation Project-II

The objective of the Project is Ecological Restoration and Biological Upgradation of degraded forests. The Project cost is Rs.567.42 crore. The Expenditure upto 31.3.2007 was 155.22 crore. The anticipated expenditure for 2007-08 is Rs.111.88 crore and the proposed outlay for 2008-09 is Rs.112.63 crore.

Pipeline Projects

Tamil Nadu Rural Water Supply Project (TNRWSP)

With a view to achieve the objectives of safe and secure water supply for all in rural areas, "Tamil Nadu Rural Water Supply Project" has been proposed to be taken up with a assistance of the World Bank. The proposed Project aims for a sectoral investment of about Rs.2500-3000 crores over a span of 4-5 years. The World Bank, Government of India and the Government of Tamil Nadu will be the funding partners of the Tamil Nadu Rural Water Supply Project.

A pilot project was taken up, across the state in 455 habitations (in 143 village panchayats) as a first step to test the implementation of new statewide Rural Water Supply Project along with the project principles which include a high degree of community participation. The pilot Project was funded by the State Government under Minimum Needs Programme. All the schemes have been completed and put into beneficial use. An external evaluation done by UNICEF has rated the outcomes as very high.

Under the Project preparation, all the Consultancy Studies were taken up with Policy and Human Resources Development (PHRD) Grant and the reports have been received. Based on these reports, the Project implementation plan is under preparation. The State Government has issued orders constituting the Tamil Nadu Rural Water Supply Agencies and approving MoA and Bylaws of the State and District Agencies. The Project is in the final stage of preparation.

Chennai Metro Rail Project

Chennai metropolis has been growing rapidly and the traffic volumes on the roads have also been increasing. Based on the need, the Government has decided to implement the Chennai Metro Rail Project to be owned and operated through a Special Purpose Vehicle as a Public Sector Undertaking. The total equity ownership of the Central and State Government together shall be not less than 51% of the equity of the SPV, though it may go upto 100%. The precise level

of equity holding may be decided later depending on financial needs and structures. The funding is sought from Japan Bank for International Co-operation (JBIC) which financed the Delhi Metro. The Department of Expenditure, Government of India has issued clearance on the debt sustainability angle. The JBIC has included this Project in their Rolling Plan for 2007-09.

The Cabinet, in principle has accorded approval for the Chennai Metro Rail Project with two initial corridors from Washermanpet to Chennai Airport and Chennai Fort to St. Thomas Mount at an estimated cost of Rs.9,757 crore. The State Government has also recommended the project to the Government of India for Central Government funding and for loan assistance from domestic and international financial institutions.

Hogenakkal Water Supply and Sanitation Project

Dharmapuri & Krishnagiri Districts in Tamil Nadu comprise of 3 Municipalities, 17 Town Panchayats and 6,755 Rural habitations in 18 Panchayat Unions. Both Dharmapuri and Krishnagiri Districts are drought prone areas. The drinking water supply as well as its management poses problem during summer and drought periods. Under these circumstances, the River Cauvery flowing at a distance of 45Km from Dharmapuri, and hitherto untapped for drinking water requirements of both the districts, is considered as a sustainable drinking water source, and accordingly the project proposal has been formulated. The population to be benefited would be 34.70 lakhs for the intermediate stage (year 2021) and 40.40 lakhs for the ultimate stage (year 2036). The per capita water supply proposed are 90 lpcd for Municipalities, 70 lpcd for Town Panchayats and 40 lpcd for Rural habitations. The requirement of the water is projected as 127.60 mld for the intermediate stage (2021) and 159.92 mld for the ultimate stage (2036) respectively. It is proposed to draw the required quantity of 160 mld in the River Cauvery near Hogenakkal. The cost of the Project is Rs.1334 crore.

The proposal has been sent to Government of India by the Government of Tamil Nadu for getting JBIC assistance. The project is under active consideration by JBIC. The detailed Fact Finding Mission for JBIC has visited the project area of Hogenakkal Water Supply and Fluorosis Mitigation Project for Dharmapuri and Krishnagiri Districts on during October 2007 and discussed the project with the officials of the Government. The workshop on the above project with stakeholders in the presence of JBIC Mission was held on 19.10.2007.

Outlay for the Annual Plan 2008-09

The outlay for the annual Plan 2008-09 is approved at Rs. 16,000 crore. This works out to 18.75% of the total outlay of Rs. 85,344 crore of the Eleventh Plan. The approved outlay for the year 2008-09 is 14.29% higher than the outlay for the year 2007-08. Higher outlays have been considered for Agriculture and allied activities (9.16%), Rural Development (12.15%), Irrigation and Flood control (4.54%), Energy (13.52%), Industry and Minerals (3.51%), Transport (14.73%), Education (5.49%), Health (3.95%), Housing and Urban Development (5.77%) and Welfare of SCs, STs and OBCs (5.22%). Out of the outlay of Rs 16,000 crore, it is expected that an amount of Rs. 2379.20 crore and Rs. 32.11 crore would flow towards the uplift of the Scheduled Castes and Scheduled Tribes under SCSP and TSP respectively, including the notional allocation for certain schemes for which exclusive allocation could not be made in view of the nature of the scheme.

The following table gives the sector-wise allocation of outlay for the Annual Plan 2008-09.

Sector-wise Outlays for the Annual Plan 2008-09

Sl.No.	Sectors	Annual Plan 2008-09 Approved Outlay (Rs. in lakh)	% to total outlay
1	Agriculture & Allied Sectors	146547	9.16
2	Rural Development	194352	12.15
3	Irrigation & Flood Control	72686	4.54
	Agriculture, Rural Development and Irrigation	413585	25.85
4	Energy	216396	13.52
5	Industry and Minerals	56090	3.51
6	Transport	235624	14.73
	Power, Industry, Road and Transport	508110	31.76
7	Education including S & T	87842	5.49
8	Water Supply & Sanitation	77618	4.85
9	Housing & Urban Development	92351	5.77
10	Health	63155	3.95
11	Welfare of SC/ST/OBCs	83582	5.22
12	Social Welfare & Nutrition	190294	11.89
	Water Supply and Sanitation, Housing and Urban Development, Education, Health, Welfare of SC, ST etc.,	594842	37.17
13	Other Sectors	83463	5.22
	Total	1600000	100.00

The Head of Development wise outlays approved for the Annual Plan 2008-09 are given in Statement I.

Statement I
Annual Plan - (2008- 09) - Approved Outlay

		(Rs. in lakh)		
Sl. No.	Major / Minor Heads of Development	Annual Plan 2007-08		Annual Plan 2008-09 Approved Outlay
		Agreed Outlay	Anticipated Expenditure	
0	1	3	4	5
I	AGRICULTURE & ALLIED ACTIVITIES			
	Crop Husbandry/ Horticulture	16110.23	17594.44	35382.97
	Agri.Research & Education	9874.75	11211.07	13273.06
	Food Storage, Ware Housing & Marketing	2.02	2.02	0.06
	Soil & Water Conservation	10467.26	10644.60	14303.91
	Animal Husbandry	2230.16	2230.16	3794.56
	Dairy Development	641.00	641.00	2539.49
	Fisheries	10314.36	5272.01	9474.10
	Forestry & Wild Life	17326.16	18569.56	17192.44
	Agri. Financial Institutions	100.00	100.00	0.01
	Cooperation	2711.99	40281.57	50586.49
	Sub Total - I	69777.93	106546.43	146547.09
II	RURAL DEVELOPMENT			
	Special Program for Rural Development	108921.33	112495.50	146954.62
	Land Reforms			
	Community Development & Panchayats	45485.50	55319.00	47396.88
	Sub Total - II	154406.83	167814.50	194351.50

Sl. No.	Major / Minor Heads of Development	(Rs. in lakh)		
		Annual Plan 2007-08		Annual Plan 2008-09 Approved Outlay
		Agreed Outlay	Anticipated Expenditure	
0	1	3	4	5
III	SPECIAL AREAS PROGRAMMES *			
	HADP	3550.00		4293.00
	WGDP	1704.00		2061.00
	RSVY			
	TRIBAL AREAS (Article 275(1))			
	Sub Total - III *	5254.00		6354.00
IV	IRRIGATION & FLOOD CONTROL			
	Minor Irrigation	11109.89	9626.18	5720.70
	Command Area Development	2275.37	2275.37	2169.34
	Major & Medium Irrigation inc.flood control	43211.78	32634.46	64796.41
	Sub Total - IV	56597.04	44536.01	72686.45
V	ENERGY			
	Power	101100.04	206984.26	216223.09
	Non-Conventional Sources of Energy	72.44	72.44	173.25
	Sub Total - V	101172.48	207056.70	216396.34
VI	INDUSTRY & MINERALS			
	Other Industries (other than VSI)	12345.97	7296.70	31152.78
	Village & Small Industries	40172.09	35958.06	24868.37
	Minerals	106.39	101.11	68.74
	Sub Total - VI	52624.45	43355.87	56089.89
VII	TRANSPORT			
	Ports & Lighthouses	3793.11	3793.00	1550.01
	Roads and Bridges	262212.31	185327.87	200634.74
	Road and Inland Water Transport	15419.71	15356.43	33439.11
	Sub Total - VII	281425.13	204477.30	235623.86

Sl. No.	Major / Minor Heads of Development	(Rs. in lakh)		
		Annual Plan 2007-08		Annual Plan 2008-09 Approved Outlay
		Agreed Outlay	Anticipated Expenditure	
0	1	3	4	5
VIII	COMMUNICATIONS			
IX	SCIENCE, TECHNOLOGY & ENVIRONMENT			
	Scientific Research	312.38	278.06	374.74
	Ecology & Environment	1638.49	1638.49	1031.84
	Sub Total - IX	1950.87	1916.55	1406.58
X	GENERAL ECONOMIC SERVICES			
	Secretariat Economic Services	1629.66	1629.66	1251.64
	Tourism	2863.37	2948.19	4085.23
	Surveys & Statistics	99.36	99.36	108.28
	Weights & Measures	0.00	0.00	28.00
	Civil Supplies	2343.05	11343.00	6025.45
	Sub Total - X	6935.44	16020.21	11498.60
XI	SOCIAL SERVICES & EDUCATION			
	General Education	83642.10	66888.98	79181.73
	Technical Education	4462.00	3561.99	2897.61
	Sports & Youth Services	2123.09	2123.09	2233.96
	Art & Culture	1734.85	1529.84	3153.41
	Medical	46914.51	55368.8	63155.53
	Public Health			
	Water Supply & Sanitation	57389.42	76030.01	77618.49
	Housing (Incl. Police Housing)	23590.18	23262.85	11851.38
	Urban Development	89926.67	93345.28	80499.44
	Information & Publicity	202.49	201.62	253.05
	Welfare of SC/ST/OBCs	55950.13	55950.13	83582.21
	Labour & Labour Welfare	18150.21	19969.61	20351.09

		(Rs. in lakh)		
Sl. No.	Major / Minor Heads of Development	Annual Plan 2007-08		Annual Plan 2008-09 Approved Outlay
		Agreed Outlay	Anticipated Expenditure	
0	1	3	4	5
	Social Security & Social Welfare	99752.82	100258.54	94374.39
	Nutrition	98648.01	98648.01	95919.31
	Other Social Services(to be specified)	69915.92	18819.66	30204.92
	Sub Total - XI	652402.40	615958.41	645276.52
XII	GENERAL SERVICES			
	Stationery & Printing	0.08	48.64	0.08
	Public Works	17453.35	13237.22	13769.09
	Sub Total - XII	17453.43	13285.86	13769.17
	GRAND TOTAL	1400000	1420967.84	1600000.00
* - included in the respective sectors				